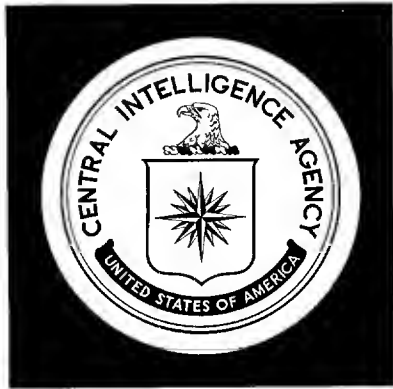


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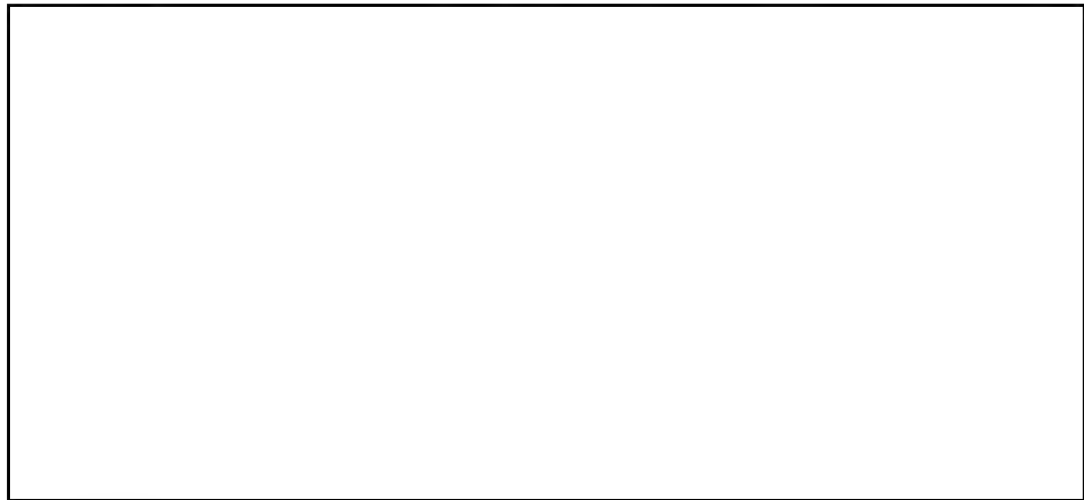
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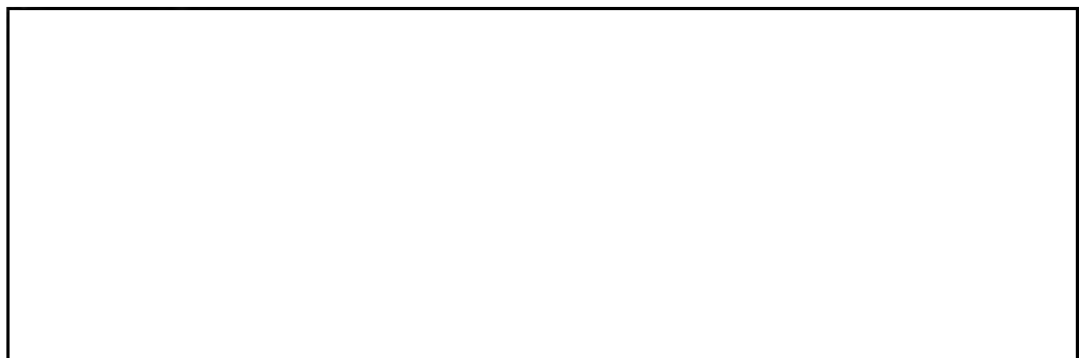
GUATEMALA: Government may take British Honduras
issue to OAS. (Page 6)



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GUATEMALA: The Arana government is laying the foundation for possible action in the OAS on British Honduras.

The government delivered a note to OAS Secretary-General Galo Plaza last week officially informing the regional body of Guatemala's suspension of negotiations with the UK and characterizing London's plans to reinforce its garrison in the colony as an unacceptable act of intimidation and a violation of Britain's given word and of basic principles of international law. The note was later circulated among the OAS member states at Guatemala's request.

Arana had been mollified by London's decision not to send Gurkhas, and somewhat relieved by Britain's clarification that it intends to maintain about 600 troops in the colony rather than 700-1,000 as Guatemala had believed. Arana, nevertheless, remains committed to securing a further reduction in the British military presence. A final decision has not been made on further approaches to the OAS, but if London refuses to reduce its forces, Arana may take advantage of the OAS General Assembly session beginning on 11 April.

London has limited flexibility on the troop issue, although it has not closed the door to further discussions. It has focused on removing what may be the major irritant in the situation--Guatemala's fear that the colony's independence is imminent. British officials in London informed British Honduras' Premier Price last week that there was no possibility of a post-independence defense guarantee and implied that the only practical approach to independence lay in a negotiated agreement with Guatemala.

Although still preoccupied with the British troop levels, the Guatemalans may be considering some formula for an eventual solution. The ambassador to the OAS suggested last week that Guatemala may be prepared to relinquish its claim to all of the colony if British Honduras will cede approximately 5,000 square kilometers in order to give

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[Guatemala better access to the Caribbean. The Arana government could win public acceptance of such a plan, and Premier Price, left with a country the size of El Salvador, could finally achieve his goal of independence.]

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